

# VERANO HOLDINGS CORP. | FY 2023

## INVESTOR FACT SHEET



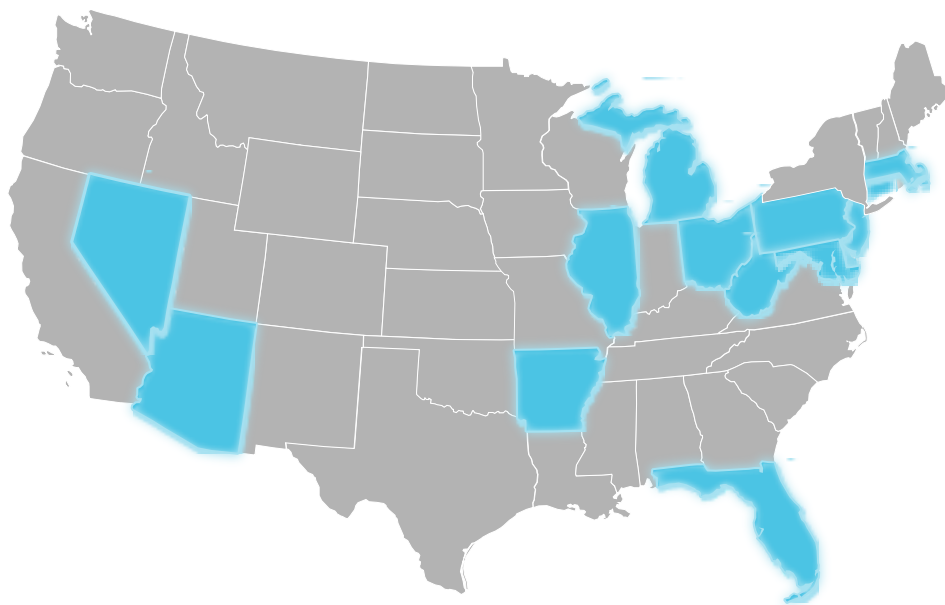
### COMPANY OVERVIEW

**Verano Holdings Corp. ("Verano" or the "Company"), one of the U.S. cannabis industry's leading companies based on historical revenue, geographic scope, and brand performance, is a vertically integrated, multi-state cannabis operator embracing a mission of saying Yes to plant progress and the bold exploration of cannabis.**

Verano offers a superior cannabis shopping experience in medical and adult use markets under the Zen Leaf™ and MÜV™ dispensary banners and produces a comprehensive suite of high-quality, regulated cannabis products sold under its diverse portfolio of trusted consumer brands including Verano™, MÜV™, Savvy™, BITS™, Encore™, and Avexia™.

Verano's operations span 13 states, including 14 production facilities comprising over 1,000,000 square feet of cultivation capacity. Learn more at [www.verano.com](http://www.verano.com).

### NATIONAL FOOTPRINT



**88M+ American adults in footprint**

**138 operational retail locations** (with more planned)

**Award-winning brands across footprint**

**Brands currently selling in ~700 retail locations**

### STOCK DATA

VRNO (Cboe CA)	CAD \$8.09
VRNOF (OTCQX)	USD \$6.06
MARKET CAP	USD \$2.09B
SHARES OUTSTANDING	344M

*Data as of February 23rd, 2024.*

### ANALYST COVERAGE

Alliance Global Partners  
 ATB Capital Markets  
 Beacon Securities Limited  
 Canaccord Genuity  
 Cormark Securities  
 Echelon Capital Markets  
 Eight Capital  
 Excelsior Equities  
 Haywood Securities  
 Needham & Company  
 ROTH Capital Partners  
 Seaport Global Securities  
 Zuanic & Associates

# VERANO™





## KEY INVESTMENT HIGHLIGHTS

- Verano designs, builds, and operates dispensaries under retail brands Zen Leaf™ and MÜV™, delivering a superior cannabis shopping experience in both medical and adult-use markets.
- A top-four multi-state operator (MSO) in the U.S. based on revenue; one of the largest and most established in the industry.
  - An emphasis on cost controls leading to competitive Gross and Adjusted EBITDA Margins since inception.
- Extensive portfolio of recognizable and highly regarded brands including Verano™, MÜV™, Savvy™, BITS™, Encore™, and Avexia™.
- High-quality products positioned across the value chain - enabling capture of a wide range of consumers.
- Focus on strictly indoor cultivation enables the Company to produce premium flower at scale.
  - Grow and process over 160 organic, proprietary strains.
- Two-pronged growth strategy harnesses favorable trends for organic growth and proven track record of successful M&A integration.
  - Deliberate M&A approach, seeking assets with strong operations at attractive valuations.
  - Completed 17 acquisitions since going public in February 2021.
- Balanced operational strategy with FY 2023 revenues derived from both retail and gross wholesale at 68% and 32%, respectively.
- Scalable, vertically-integrated platform is well-positioned to capitalize on significant tailwinds as additional states legalize cannabis (for both medical and adult use).
  - Provides two strong avenues for topline growth.
  - Allows for meaningful operational efficiencies.
- Highly attractive financial profile and effective capital allocation.
  - Positioned for sustained, profitable growth with a focus on maintaining top-tier Adjusted EBITDA Margins and positive Free Cash Flow.
  - Ample cash flow generation, strong balance sheet, and capacity for additional leverage provides fuel to fund growth investments.
- Deeply experienced executive team with a customer and patient-driven business philosophy.
  - With hospitality and restaurant expertise and experience in operations and logistics, the Company maintains a lean operational structure that drives profitability.
  - Management highly aligned with shareholders given inside ownership.

## FY 2023 FINANCIAL HIGHLIGHTS

REVENUE	\$938M
GROSS PROFIT	\$475M
NET LOSS	\$(117)M
ADJUSTED EBITDA	\$305M
FREE CASH FLOW	\$73M

## 4Q 2023 BALANCE SHEET HIGHLIGHTS

CASH	\$175M
CURRENT ASSETS	\$394M
WORKING CAPITAL	\$(18)M
DEBT	\$446M

## COMPANY SNAPSHOT

-  **12+ brands**
-  **138 operating retail locations**
-  **3,900+ employees**
-  **13 states**
-  **14 production facilities**  
spanning 1.0M+ sq. ft.
-  **140+ planned locations**
-  **~700 active wholesale dispensary accounts**
-  **88M+ American adult population**  
within geographic footprint

Geographic footprint as of 2.29.24

**VERANO.COM**

This fact sheet may contain "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements are not representative of historical facts or information or current conditions, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking statements can be identified by the use of forward-looking terminology such as "plans," "expects" or "does not expect," "is expected," "budget," "future," "scheduled," "estimates," "forecasts," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words or phrases or may contain statements that certain actions, events or results "may," "could," "would," "might" or "will be taken," "will continue," "will occur" or "will be achieved." Forward-looking statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking statements herein, including, without limitation, the risk factors described in the Company's annual report on Form 10-K filed with the U.S. Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov). The forward-looking statements contained in this fact sheet are made as of the date of this fact sheet, and the Company does not undertake to update any forward-looking information or forward-looking statements that are contained or referenced herein, except as may be required in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf is expressly qualified in its entirety by this notice regarding forward-looking information and statements.

This presentation refers to certain non-GAAP measures to evaluate the performance of the Company. The terms "EBITDA," "Adjusted EBITDA," "Adjusted EBITDA Margin" and "Free Cash Flow" do not have any standardized meaning prescribed within U.S. Generally Accepted Accounting Principles ("GAAP") and therefore may not be comparable to similar measures presented by other companies. Such measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. EBITDA is calculated herein as Net Income (Loss) before interest expense, income tax expense, depreciation, and amortization. The Company presents EBITDA on a consistent basis from period to period. Adjusted EBITDA is calculated herein as Net Income (Loss) attributable to the Company plus net interest expense, income tax expense, depreciation and amortization, and also excludes certain one-time items. Adjusted EBITDA Margin is calculated herein as Adjusted EBITDA divided by Revenue. Free Cash Flow is calculated herein as Net Cash Provided by Operating Activities minus Capital Expenditures. Net Cash Provided by Operating Activities for the year was \$110 million. Management believes that these non-GAAP financial measures provide useful information to readers as a supplement to reported GAAP financial information because these measures provide consistency and comparability with past financial performance and assists in comparisons with other companies, some of which use similar non-GAAP information to supplement their GAAP results. Management reviews these non-GAAP financial measures on a regular basis and uses them to evaluate and manage the performance of the Company's operations. These measures should be evaluated only in conjunction with the Company's comparable GAAP financial measures.

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